



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Greene County Soil and Water Conservation District
Greene County
1363 Burnett Drive
Xenia, Ohio 45385

We have performed the procedures enumerated below, which were agreed to by the Board of Supervisors (the Board) and the management of the Greene County Soil and Water Conservation District (the District) on the receipts, disbursements and balances recorded in the District's cash-basis accounting records for the years ended December 31, 2018 and 2017, and certain compliance requirements related to these transactions and balances, included in the information provided to us by the management of the District. The District is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2018 and 2017 and certain compliance requirements related to these transactions and balances included in the information provided to us by the District. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

This report only describes exceptions exceeding \$10.

Cash and Investments

1. We recalculated the December 31, 2018 and December 31, 2017 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2017 beginning fund balances recorded in the District's Combined Statements of Receipts, Disbursements and Changes in the Fund Balances to the December 31, 2016 balances in the prior year agreed upon procedures. We found no exceptions. We also agreed the January 1, 2018 beginning fund balances recorded in the District's Combined Statements of Receipts, Disbursements and Changes in the Fund Balances to the December 31, 2017 balances in the District's Combined Statements of Receipts, Disbursements and Changes in the Fund Balances. We found no exceptions.
3. We agreed the totals per the District Fund Bank Reconciliations to the total of the December 31, 2018 and 2017 fund cash balances reported in the District's GCSWCD District Fund General Ledger for the District Fund. The amounts agreed.
4. We confirmed the December 31, 2018 bank account depository balances for the District Fund and Certificate of Deposit with the District's financial institution. We found no exceptions.

Cash and Investments (Continued)

5. We compared the December 31, 2018 Special Fund depository balance from the *Cash Basis Annual Financial Report* to the amount reported in the Special Fund General Ledger Report. We found no exceptions.
6. We inspected investments held at December 31, 2018 and December 31, 2017 to determine that they:
 - a. Were of a type authorized by Ohio Rev. Code Sections 135.13, 135.14 or 135.144. We found no exceptions
 - b. Mature within the prescribed time limits noted in Ohio Rev. Code Section 135.13 or 135.14. We noted no exceptions.

Intergovernmental and Other Confirmable Cash Receipts

We applied the following procedures for the years ended December 31, 2018 and 2017:

1. We traced the total of the receipts from the State Distribution Transaction Lists (DTL) and the total of the receipts from the Audit Trail by Vendor received from the county to the total amounts recorded in the respective receipt classification in the Special Fund in the General Ledger and Revenue Report. The amounts agreed.
2. We selected a sample (agreed upon) of five other confirmable receipts from the year ended December 31, 2018 and five other confirmable receipts from the year ended December 31 2017 in the Revenue Report from funds other than the *Special Fund* such as grants, municipal and district funds
 - a. We agreed to receipts and General Ledger the amounts paid from the municipalities and districts to the District. We found no exceptions.
 - b. We inspected the Revenue Report to determine whether these receipts were allocated to the proper fund. We found no exceptions.

Payroll Cash Disbursements

1. We selected one payroll check for five employees from 2018 and one payroll check for five employees from 2017 from the Greene County Payroll Register and:
 - a. We compared the hours and pay rate, or salary recorded in the Greene County Payroll Register to the timecards. We found no exceptions
 - b. We inspected the Expense Audit Trail Report to determine whether salaries and benefits were paid only from the *Special Fund*, as required by the SWCD Administrative Handbook Chapter 5. We found no exceptions.
 - c. We inspected the Expense Report to determine whether the check was classified as *salaries* and was posted to the proper year. We found no exceptions.

Non-Payroll Cash Disbursements

1. We selected a sample (agreed upon) of five disbursements from the *Special Fund* and five disbursements from the *District Fund* and other funds from the Expense Audit Trail Report for the year ended December 31, 2018 and five from the *Special Fund* and five from the *District Fund* and other funds for the year ended 2017 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. For *District Fund* and other funds disbursements, we determined whether:

Non-Payroll Cash Disbursements (Continued)

- i. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the similar data recorded in the Expense Audit Trail Report and to the names and amounts on the supporting invoices. We found no exceptions.
- ii. The payment was posted to a fund consistent with the purpose for which the fund's cash can be used. We found no exceptions.
- c. For *Special Fund* disbursements, we determined whether:
 - i. The payee name and amount recorded on the purchase order submitted to the County Auditor agreed to the payee name and amount recorded in the Expense Audit Trail Report. We found no exceptions.
 - ii. The names and amounts on the voucher agreed to supporting invoices. We found no exceptions.
 - iii. The purchase order was signed by the fiscal officer and approved by a majority of the Board of Supervisors. We found no exceptions.

Special Fund Budgetary Compliance

1. We inspected the District's Special Fund Budget Request submitted to the County Commissioners for the years ended December 31, 2018 and 2017. The request included the Special Fund's *Needs, Income* and *Balances* anticipated for carry over from the current year, as required by the SWCD Administrative Handbook, Chapter 5. We also compared the budget amounts to the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report. The amounts agreed.
2. We compared the total estimated receipts reported on the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report to the *Amended Official Certificate of Estimated Resources*, required by Ohio Rev. Code Section 5705.36(A)(1), and to the amounts recorded in the Revenue Report for the Special Fund for the years ended December 31, 2018 and 2017. The amounts agreed.
3. We inspected the appropriation measures adopted for 2018 and 2017 to determine whether the Supervisors appropriated separate amounts within the Special Fund for "each office, department, and division, and within each, the amount appropriated for personal services," as is required by Ohio Rev. Code Section 5705.38(C). We found no exceptions.
4. We compared total appropriations required by Ohio Rev. Code Sections 5705.38 and 5705.40, to the amounts recorded in the Expense Report for the Special Fund for 2018 and 2017, and to the appropriations reported on the Special Fund Budgetary Activity footnote of the Cash Basis Annual Financial Report. A variance of \$4,098 was noted between 2018 appropriation amount and the amount reported in the Expense Report and the financial statements. The District should periodically compare amounts recorded in the Expense Report to amounts approved by the Board of Supervisors to assure they agree. If the amounts do not agree, the Board of Supervisors may be using inaccurate information for budgeting and monitoring purposes.
5. Ohio Rev. Code Sections 5705.36(A)(5) and 5705.28(B)(2)(C) prohibit appropriations from exceeding estimated resources. We compared total appropriations to total estimated resources for the Special Fund for the years ended December 31, 2018 and 2017. Appropriations did not exceed estimated resources for the Special Fund.

Special Fund Budgetary Compliance (Continued)

6. Ohio Rev. Code Section 5705.41(B) prohibits expenditures (disbursements plus year-end certified commitments (i.e. encumbrances)) from exceeding appropriations. We compared total disbursements plus outstanding year-end encumbrances to total appropriations for the years ended December 31, 2018 and 2017 for the "Special" Fund, as recorded in the Expense Report. Expenditures did not exceed appropriations for the Special Fund.
7. We inspected the Expense Report for the years ended December 31, 2018 and 2017 for negative cash fund balances. Ohio Rev. Code Section 5705.10 (I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. No funds had negative cash fund balances.
8. We inquired of management and inspected the Expense Report to determine whether the District elected to establish a contingency, not designated for any particular purpose (contingency reserve balance - spending reserve) permitted by Ohio Rev. Code Section 5705.29(A)(1). The District did not establish these reserves

Compliance – Contracts & Expenditures

We inquired of management and inspected the Expense Audit Trail Report for the years ended December 31, 2018 and 2017 to determine if the District purchased equipment and services allowed by Ohio Rev. Code Section 940.08 or purchased goods or services allowed by Ohio Rev. Code Section 940.06 whose cost, other than personal service compensation or office space rent, exceeded \$50,000. There were no purchases exceeding \$50,000.

Other Compliance

1. Ohio Rev. Code Section 117.38 requires Districts to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the District filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy, within the allotted timeframe for the years ended December 31, 2018 and 2017 in the Hinkle system. There were no exceptions

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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This report is to provide assistance in the evaluation of the District's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2018 and 2017, and certain compliance requirements related to these transactions and balances and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

August 5, 2019

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OHIO AUDITOR OF STATE KEITH FABER



GREENE COUNTY SOIL AND WATER CONSERVATION DISTRICT

GREENE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 20, 2019**